

Being College Savvy: Knowing How to Navigate the College System

Tim Bakula – University of Northern Iowa

Beth Carlson – Grand View University

Erick Danielson – Iowa College Access Network

Roberta Johnson – Iowa State University

Presentation Agenda

- ▶ Choosing a College
- ▶ Exploring Careers
- ▶ Financial Aid
- ▶ Budgeting

Choosing a College

- ▶ Make college choices based on your career interests and assessment results
 - Consider colleges that offer the top programs in your Career Assessment results
 - Explore graduation and job placement rates for these programs
 - Consider colleges that are in line with your potential starting salary for each career option

Things to Consider

- ▶ Programs and Majors
- ▶ Cost vs. Financial Aid
- ▶ Type of institution
- ▶ Size
- ▶ Public or Private
- ▶ Locations
- ▶ Residence Halls
- ▶ Class size
- ▶ Counseling, Job Placement, Career Planning
- ▶ Facilities: Library, Gym, Health Center
- ▶ Transportation and Parking
- ▶ Safety on Campus
- ▶ Extracurricular Activities

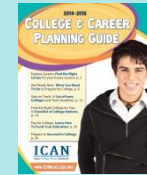
Make Campus Visits

- ▶ Schedule your visit while the college is in session
- ▶ Make appointments
 - Campus tour
 - Overnight stay
 - Sit in on a class
 - Meet with faculty
 - Financial aid office visit
- ▶ Is there a career center on campus?
- ▶ Ask questions and revisit if needed
- ▶ Write down your impressions
- ▶ How does it feel?

Affordability

- ▶ Sticker Price vs. Net Price
- ▶ Reminder – each college and university has different resources available to help students pay for school

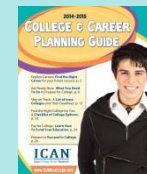
Type of College	Average Tuition Rates in Iowa
Private four-year	\$41,004 per academic year
Public four-year (in-state)	\$8,057 per academic year
Public two-year (in-state)	\$170 per credit hour



Find it on
page 4.

Explore Careers

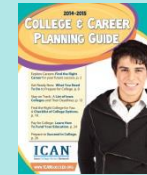
- ▶ Explore careers before selecting a college
- ▶ Take assessments to discover careers that fit you
 - Help you identify strengths and interests
 - Link those strengths and interests to careers and majors
 - ICAN utilizes ACT Profile in Career Advising Sessions
 - www.act.org/profile/
- ▶ Explore career interests early through job shadows & internships



Find it on
page 5.

What's Your Starting Salary?

- ▶ Starting salary should determine your college budget
- ▶ Once you know what you're potential income you can determine how much you can spend/borrow on your education
- ▶ Consider using a Return on College Investment Tool (ROCI)
 - ROCI will help you determine the right investment for certain majors.
- ▶ Assessment results should figure into this process



Find it on
page 23.

Understand Your Limits

- ▶ How much will you borrow over the full four years?
- ▶ Estimate your student loan payments
 - Borrow **\$80,000**, Pay **\$800 per month**
- ▶ You shouldn't borrow more than your starting salary for your planned career. This keeps your monthly payment around **8-12%** of your monthly gross starting salary.
 - Starting salary **\$25,000**, only borrow **\$18,543-\$27,814**
 - Monthly payment **\$180-\$270 per month for 10 years**

Student Loan Repayment Chart

Federal Unsubsidized Stafford Loan (6.80% Fixed Interest Rate) Standard 10-Year Repayment Plan			
Annual Salary	Monthly Salary	8% of Monthly Salary	Maximum Amount Could Borrow
\$8,631	\$719	\$58	\$5,000
\$21,578	\$1,798	\$144	\$12,500
\$30,209	\$2,517	\$201	\$17,500
\$43,155	\$3,596	\$288	\$25,000
\$60,417	\$5,035	\$403	\$35,000
\$99,257	\$8,271	\$662	\$57,500
\$112,203	\$9,350	\$748	\$65,000
\$138,096	\$11,508	\$921	\$80,000

Note: This chart is intended to show only the estimated amount of monthly payments required at various debt levels for Federal Unsubsidized Stafford Loans with a 6.80% fixed interest rate under the 10-year standard repayment plan (120 monthly payments) compared to annual salaries. The 8% of monthly salary amount represents both the estimated monthly payment amount for the total balance outstanding at the time of repayment as well as 8% of a monthly income at various salary levels. The final payment may be more or less than the amount indicated.

FAFSA

- ▶ **FREE** Application for Federal Student Aid
- ▶ fafsa.gov
- ▶ January 1st – complete every year
- ▶ Determines what federal aid is available to a student
- ▶ Asks for Student and Parent Information
- ▶ EFC – Expected Family Contribution
- ▶ Who should I contact with questions?

Financial Aid

- ▶ Grants – do not need to be repaid and usually based on financial need
- ▶ Scholarships – do not need to be repaid and based on merit or financial need
- ▶ Work-Study – federal program to support part-time jobs for students while attending school
- ▶ Loans – must be repaid with interest, don't need to begin making payments until after graduation

Scholarships vs. Grants

	Scholarships	Grants
Who Funds	<ul style="list-style-type: none">• Community organizations• Colleges• Employers (yours or your parents')• Private companies in career fields	<ul style="list-style-type: none">• Federal, state, or local government• Private companies and organizations• Colleges
How Awarded	<ul style="list-style-type: none">• Merit (grades or accomplishments)• Financial need• Cultural, religious, or other affiliation	<ul style="list-style-type: none">• Financial need
How to Find Them	<ul style="list-style-type: none">• Free, online scholarship searches• Request information from organizations• Library• School counselor• College financial aid office	<ul style="list-style-type: none">• Fill out Free Application for Federal Student Aid• Visit your state's website for state grants• Request information from private companies• College financial aid office

Tips for Applying for Scholarships and Grants

- ▶ Do your best in high school
- ▶ Get involved in campus, clubs, and organizations
- ▶ Begin researching early
- ▶ Show, don't tell – use examples and stories to explain your accomplishments and skills
- ▶ Have someone else proofread your essays

Budget

- ▶ Understand your goals – SMART
- ▶ A tool for controlling your finances
- ▶ A budget can help you
 - Stay out of financial trouble
 - Know if you're spending too much
 - Avoid impulse spending
 - Achieve financial and savings goals
 - Prepare for emergency situations
 - Manage your student loan obligations

Expenses

- ▶ Fixed
 - Do not change from month to month
 - Rent/mortgage, car payments, student loan payments, auto insurance
- ▶ Variable
 - Can change from month to month
 - Groceries, utilities, gas, clothing and personal items, entertainment
- ▶ Occasional/Periodic
 - Occur every few months
 - Car maintenance/registration, health costs, birthdays/holidays

Create a Budget

- ▶ Identify your income
- ▶ Track your expenses
- ▶ Check out the result



YOUR FUTURE, EXPERTLY PLANNED

Monthly Budget Work Sheet

Income	\$2,167	Expenses	
Expenses	– \$2,651	Deductions	\$433
Balance	– \$484	Insurance	\$100
<div>▶ Based on:</div> <div><div>— Major in Education: Special Needs</div><div>— Five years in school</div><div>— \$14,500 in federal student loans</div><div>— \$8,000 in private (supplemental) student loans</div></div>		Retirement	\$65
		Housing	\$700
		Food	\$250
		Transportation	\$450
		Utilities	\$150
		Entertainment/Communication	\$150
		Personal	\$100
		Student Loan Payments	\$253
		Total Expenses	\$2,651

What You Can Do Now

► Spend less every day

Strategy	Estimated Monthly Savings
Make your own coffee instead of getting a large gourmet coffee every day.	\$72
Skip the fast-food lunch twice a week.	\$48
Rent a dollar movie instead of going out twice a month.	\$27
Use your dining plan instead of ordering pizza on Friday nights.	\$54
Rent or buy used books.	\$47
Downgrade to a basic cell phone plan.	\$34
Go to free Wi-Fi hotspots instead of paying for high-speed Internet.	\$50
Total Estimated Monthly Savings: \$332 Total Estimated Yearly Savings: \$3,984	



Graduate in Four Years!

Ochoa, E. (2014). Professional life after graduation [Online image]. Retrieved from <http://www.echristianpr.com/professional-life-after-graduation>.

YOUR FUTURE, EXPERTLY PLANNED

Questions?

YOUR future, Expertly Planned